

COUNTIES OF WARREN AND WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY

5 Warren Street, Suite 210
Glens Falls, New York 12801

Telephone (518) 792-1312
website: www.warren-washingtonida.com

Effective as of July 26, 2017

TO WHOM IT MAY CONCERN:

Re: Counties of Warren and Washington
Industrial Development Agency
Aviation Hospitality, LLC as duly appointed Agent
(Aviation Hospitality, LLC Project)
(5202-17-03)

Ladies and Gentlemen:

The Counties of Warren and Washington Industrial Development Agency (the "Agency"), by this notice, hereby advises you as follows:

1. The Agency constitutes a corporate governmental agency and a public benefit corporation under the laws of the State of New York, and, therefore, in the exercise of its governmental functions, including the issuance of its bonds or notes, is exempt from the imposition of any New York State sales and use tax. As an exempt governmental entity, no exempt organization identification number has been issued to the Agency nor is one required.

2. Pursuant to an inducement and closing resolution adopted by the Agency on July 26, 2017 and an Agent Agreement dated as of July 26, 2017 (the "Agent Agreement") between the Agency and Aviation Hospitality, LLC, a New York limited liability company, (the "Company"), the Agency has authorized the Company to act as its agent to acquire, lease, construct, install and equip a 92 room hotel facility in the Town of Queensbury, Warren County consisting of:

(i) the acquisition of an interest in a certain commercial parcel or parcels of land located at 524 Aviation Road, Town of Queensbury, County of Warren, State of New York (the "Land"); (ii) the construction and equipping of a 15,665+/- square foot 92 room hotel (the "Facility"); (iii) the acquisition and installation therein of certain furnishings and fixtures (the "Equipment" together with the Land and the Facility, collectively the "Project Facility") to be used in connection with the contemplated uses; and (iv) the lease of the Project Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, Chapter 862 of the Laws of 1971 of the State of New York (collectively, the "Act"), as amended.

3. In connection with such resolutions and the Agent Agreement and pursuant to the authority therein granted, the Agency has authorized the Company to act as its agent in connection with the acquisition, construction, installation and equipping of the Project Facility and authorized the Company to use this letter as its agent only for the payment of the costs of such acquisition, construction, installation and equipping of the Project Facility, all to the extent set forth in, and limited by, Exhibit A attached hereto.

4. The Agency has authorized the Company to act as its agent and to appoint third-party agents as may be appropriate in connection with the acquisition, construction, and installation and equipping of the Facility.

5. As agent, Aviation Hospitality, LLC has agreed that each contract, agreement, invoice, bill or purchase order entered into by Aviation Hospitality, LLC, as agent of the Agent, for the acquisition, construction, installation and equipping of the Facility shall include language in substantially the following form:

“IN THE EVENT OF A DEFAULT BY AVIATION HOSPITALITY, LLC IN THE PAYMENT OF ANY MONIES DUE FOR WORK, LABOR, GOODS, SERVICES, MATERIALS OR EQUIPMENT FURNISHED IN ACCORDANCE WITH THIS AGREEMENT, SHOULD THE CONTRACTOR (OR VENDOR) SEEK PAYMENT FROM THE COUNTIES OF WARREN AND WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY (THE “AGENCY”), IT SHALL BE LIMITED TO A CLAIM AGAINST THOSE FUNDS REMAINING IN PROJECT ACCOUNTS THAT HAVE BEEN ESTABLISHED BY OR ON BEHALF OF THE AGENCY TO FINANCE THE PROJECT FACILITY. THE CONTRACTOR (OR VENDOR) AGREES THAT IT SHALL HAVE NO RIGHTS IN OR CLAIM TO ANY PROPERTY OR ANY FUNDS IN ANY ACCOUNT OF THE AGENCY OTHER THAN THOSE FUNDS OR ACCOUNTS SPECIFICALLY ESTABLISHED BY OR ON BEHALF OF THE AGENCY FOR THE PROJECT FACILITY. THE CONTRACTOR (OR VENDOR) FURTHER AGREES THAT IT MAY NOT MAKE A CLAIM OR OBTAIN A JUDGMENT AGAINST THE AGENCY, ITS MEMBERS, OFFICERS OR EMPLOYEES FOR ANY MONIES OTHER THAN THOSE MONIES REMAINING IN ACCOUNTS ESTABLISHED BY OR ON BEHALF OF THE AGENCY FOR THE PROJECT FACILITY.”

6. As described in the attached Exhibit A, the acquisition and construction of structures, facilities and improvements constituting a part of the Facility by Aviation Hospitality, LLC, as agent, shall be exempt from the sales and use tax levied by the State of New York and any political subdivision thereof.

As of July 26, 2017

7. The Agency shall have no liability or performance obligations under any contract, agreement, invoice, bill or purchase order entered into by Aviation Hospitality, LLC, as agent for the Agency hereunder. The Agency shall not be liable, either directly or indirectly or contingently, upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever, and the Company shall be the sole party liable thereunder.

8. This agency appointment includes the power to delegate such agency, in whole or in part to agents, subagents, contractors, subcontractors, contractors and subcontractors of such agents and subagents upon submission of proper documents to the Agency. In exercising this agency appointment, the Company, its agents, subagents, contractors and subcontractors shall give the supplier or vendor a completed "Exempt Purchase Certificate" (Form ST-123) to show that the Company, its agents, subagents, contractors and subcontractors are each acting as agent for the Agency. The supplier or vendor should identify the Project Facility on each bill or invoice and indicate thereon which of the Company, its agents, subagents, contractors and subcontractors acted as agent for the Agency in making the purchase.

In order to be entitled to use this exemption, the Company shall present to the supplier or other vendor of materials for the Project Facility, a completed "Contractor Exempt Purchase Certificate" (Form ST-120.1), checking box "(a)". The Company shall give the supplier or vendor a copy of this letter to show that you (or the contractor) are acting as agent for the Agency in making the purchase. A copy of this letter retained by any vendor or seller may be accepted by such vendor or seller as a "statement and additional documentary evidence or such exemption" as provided by New York Tax Law §1132(c)(2), thereby relieving such vendor or seller from the obligation to collect sales and use tax with respect to the construction and installation and equipping the Project Facility.

In addition, General Municipal Law §874(8) requires the Company and any other agents to file an Annual Statement with the New York State Department of Taxation and Finance on "Annual Report of Sales and Use Tax Exemptions" (Form ST-340) regarding the value of sales and use tax exemptions the Company, its agents, consultants or subcontractors have claimed. The penalty for failure to file such statement is the removal of the authority to act as agent of the Agency. Upon each such annual filing, the Company shall, within thirty (30) days of each filing, provide a copy of the same to the Agency; provided, however, in no event later than February 15th of each year.

9. Accordingly, until the earlier of (i) January 31, 2019; (ii) the completion of the Project Facility, or (iii) the termination or suspension of this Letter of Authorization for Sales Tax Exemption pursuant to and as provided in the Preliminary Agreement, all vendors, contractors and subcontractors are hereby authorized to rely on this letter (or on a photocopy or fax of this letter) as evidence that purchases of, and improvement and installation contracts relating to, the Project Facility property, to the extent effected by the Company, as agent for the Agency, are exempt from all New York State sales and use taxes.

COUNTIES OF WARREN AND WASHINGTON
INDUSTRIAL DEVELOPMENT AGENCY

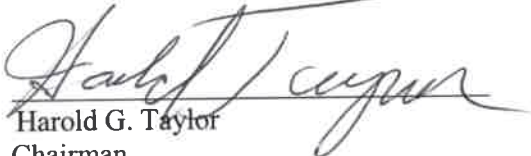
By: 
Name: Harold G. Taylor
Title: Chairman

Exhibit A

Exemptions from sales or use tax relating to (a) the acquisition and installation of Equipment, trade fixtures and other tangible personal property for use at the Project Facility, (b) the acquisition of building materials for construction of the buildings and related structures on the Project Facility, and (c) materials and equipment to be incorporated into the Project Facility, as well as purchases and rentals of supplies, tools, equipment, or services necessary to undertake and/or complete the Project Facility.



IDA Appointment of Project Operator or Agent For Sales Tax Purposes

ST-60

(4/13)

Industrial development agency or authority (IDA) must submit this form within 30 days of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

For IDA use only

Name of IDA Counties of Warren and Washington Industrial Development Agency		IDA project number (use OSC numbering system for projects after 1998) 5202-17-03	
Street address 5 Warren Street		Telephone number (518) 792-1312	
City Glens Falls		State NY	ZIP code 12801
Name of IDA project operator or agent Aviation Hospitality, LLC	Mark an X in the box if directly appointed by the IDA: <input checked="" type="checkbox"/>	Employer identification or social security number 82-0825438	
Street address 906 State Route 9		Telephone number (617) 308-0213	Primary operator or agent? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
City Queensbury		State NY	ZIP code 12110
Name of project Aviation Hospitality, LLC Project		Purpose of project (see instructions) Tourism Destination/Hotel	
Street address of project site 524 Aviation Road			
City Queensbury		State NY	ZIP code 12804
Description of goods and services intended to be exempted from New York State and local sales and use taxes construction materials, fixtures, and furnishings			

Date project operator or agent appointed (mm/dd/yy) 07/26/17	Date project operator or agent status ends (mm/dd/yy) 01/31/19	Mark an X in the box if this is an extension to an original project: <input type="checkbox"/>
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: \$3,757,136.00	Estimated value of New York State and local sales and use tax exemption provided: \$263,000.00	

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA Harold G. Taylor	Print title Chairman	Date 7/26/17	Telephone number (518) 792-1312
Signature 			

Instructions

Filing requirements
An IDA must file this form within 30 days of the date the IDA appoints any project operator or other person as agent of the IDA, for purposes of extending any sales and compensating use tax exemptions.
The IDA must file a separate form for each person it appoints as agent, whether directly or indirectly, and regardless of whether the person is the primary project operator or agent. If the IDA authorizes a project operator or agent to appoint other persons as agent of the IDA, the operator or agent making such an appointment must advise the IDA that it has done so, so that the IDA can file a form within 30 days of the date of the new agent's appointment. The IDA should not file this form for a person hired to work on an IDA project if that person is not appointed as agent of the IDA. The IDA need not file this form if the IDA does not extend any sales or use tax exemption benefits for the project.
If an IDA modifies a project, such as by extending it beyond its original completion date, or by increasing or decreasing the amount of sales and use tax exemption benefits authorized for the project, the IDA must, within 30 days of the change, file a new form with the new information.
If an IDA amends, revokes, or cancels the appointment of an agent, or if an agent's appointment becomes invalid for any reason, the IDA must, within 30 days, send a letter to the address below for filing this form, indicating that the appointment has been amended, revoked, or cancelled, or is no longer valid, and the effective date of the change. It should attach to the letter a copy of the form it originally filed. The IDA need not send a letter for a form that is not valid merely because the "Completion date of project" has expired.

Mailing instructions
Mail completed form to:
**NYS TAX DEPARTMENT
IDA UNIT
W A HARRIMAN CAMPUS
ALBANY NY 12227**

Privacy notification
The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 428, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).
This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.
Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.
Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.
This information is maintained by the Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.

Need help?

Internet access: www.tax.ny.gov
(for information, forms, and publications)

Sales Tax Information Center: (518) 485-2889
To order forms and publications: (518) 457-5431

Text Telephone (TTY) Hotline
(for persons with hearing and speech disabilities using a TTY): (518) 485-5082

- Purpose of project**
For Purpose of project, enter one of the following:
- Services
 - Agriculture, forestry, fishing
 - Finance, insurance, real estate
 - Transportation, communication, electric, gas, sanitary services
 - Construction
 - Wholesale trade
 - Retail trade
 - Manufacturing
 - Other (specify)



**Fitzgerald Morris
Baker Firth**
Attorneys & Counselors

August 9, 2017

NYS Tax Department
IDA Unit
WA Harriman Campus
Albany, New York 12227

Mailed Certified RRR

Re: Counties of Warren and Washington IDA
Aviation Hospitality, LLC Project
(#5202-17-03)
NYS Form ST-60 Submission

Dear Sir or Madam:

Please find enclosed an executed Form ST-60 for the above-captioned IDA Project.

Thank you for your attention to this matter. Please do not hesitate to contact me with any questions or comments.

Very truly yours,

Donna Derway
Legal Assistant

Enc.

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Res. Delivery Fee (Enc. Int Required)		
Total Postage & Fees	\$	

Sent To
NYS Tax Dept. IDA Unit
Street, Apt. No., or PO Box No.
WA Harriman Campus
City, State, ZIP+4
Albany NY 12227

8-9-17
10094-0

PS Form 3800, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
NYS Tax Department
IDA Unit
WA Harriman Campus
Albany, NY 12227

9590 9402 1423 5329 5521 95

2. Article Number (Transfer from service label)
2014 1200 0000 4080 5266

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Address

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

REC'D NY TAX DEPT.
ALBANY, NY 12227
AUG 15 2017

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input checked="" type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Insured Mail	
<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	

Domestic Return Rec